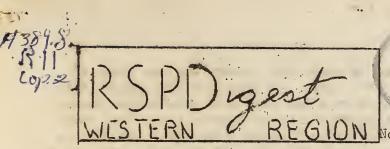
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No.5...July 13, 1945 - Administrative Use ONLY

NEW BOSS .

In taking the oath of office, new Agriculture Secretary Clinton Anderson said: "My immediate concern will be with four chief problems that are fundamental to a sound food program:

"First, abundant production to meet our wartime requirements. Second, the guarantees farmers need from Government to get greater production. Third, the necessary action to make good on the promises of Government to farmers. Fourth, improvements in distribution so that our supplies may be shared more fairly among all of us.

"We are faced with serious shortages of many important foods, not on account of any failure of farmers because they have done their best, but because demand has simply outstripped the production program. These shortages connot be quickly evercome. There is no magic wand that I can wave to increase the food supply. It takes a lot of time to grow, process, and distribute food. In the meantime our war requirements will continue at a high level. For my part, I shall do my best to bring about inprovement as quickly as possible. In the task ah ad I shall need the cooperation of everyone."

PHOTO

Despite becoming modesty and reluctance, on the part of THE personage in the front office (which was eventually evercome) there to said personage will be sent each state and district office---as was requested by a number of said state and district monduring the regional meeting.

PAYBILL

Several changes besides salary take place under the new paybill.

Overtime - is Saturday morning only. Basic work wook is 5 - 8 hour days. There will be no leave on Saturday morning - no work - no pay.

Overtime Rates - approximate full time and a half up to \$2980 base. Then they go down, reaching about straight time at the \$4000 level, and become less than straight time at salaries above that level.

Pay Period - becomes every 2 weeks instead of twice a month. This means 26 checks a year instead of 24.

SCHOOL LUICH

The status of the school lunch bill is as reported previously. The proposed school lunch bill hasn't yet come up for consideration on the floor of the House. Currently, it is in the House Rules Committee, awaiting scheduling for consideration on the floor. No definite information today as to when it will go on the floor. In the meantime, the school lunch people are making plans for uninterrupted operations along lines authorized by the 1945-46 agricultural appropriations bill.

FAT SALVAGE

Some of you fellows are still being asked by restaurant owners what we think of their using salvaged fats to make their own soap. The Fats and Diis people tell us that WFO 42-b doesn't forbid it. But Barney has gone into this matter pretty thoroughly, and from what he says, I think we should warn those requesting such information that inexperienced soap-makers waste a lot of time and a lot of fat, and may burn themselves in the process—also in it's use, if the soap turns out to contain the wrong ingredients. This latter type of burn is not uncommon, especially in using the soap for facial cleansing. Even experienced people may make a dozen batches of perfectly good soap and then come up with a "clinker." The sad thing is, ene doesn't discover one's mistakes until one starts washing one's face. Furthermore, considerable glycerine is lost even by experienced soapmakers, and it looks as if glycerine is really getting short again. (Please do not use this glycerine item publicly, however, at this time.)

"A" AWARD

Our change in name as of July 1 is causing a few difficulties, one of which is connected with the "A" Award program. Henceforth, the award will be known as the U. S. Department of Agriculture's Achievement "A" Award. However, you should continue to use whatever program material you now have on hand until new materials can be printed. It may be possible, in some instances, for newspapers (except for mats) to substitute "U. S. Department of Agriculture" for "War Food Administration" and we'd like you to do this. No doubt, however, some of the licensees who supply "A" Award Material to the winning plants will continue to distribute standard stock programs which refer to "the War Food Administration."

A new contract covering the manufacture of "A" Award emblems will be issued after the present supply of pins has been exhausted -- but we want to use up the old ones first. When the new pins are made available, there will also be new messages for the pin eard.

SALES

Sales Policy

A memo from Director Maycock dated June 25 reiterates policy for the disposition of old stock as follows: "Generally it is desired that all items more than two years old be disposed of as rapidly as it is practicable to do so. Preference, of course, should be given to utilizing such items on programs for which the Office of Supply is responsible. If the items are not needed for our authorized programs they should be turned over to the Sales Branch for appropriate disposition. This policy is in harmony with that covered by Office of Supply Instructions No. 250.1 in that it is desired to minimize losses from spoilage and deterioration and thereby to make available as much food as possible for human consumption. All items, regardless of how long they have been in storage, which, because of age or other reasons, are beginning to deteriorate or are in danger of spoilage should likewise be disposed of as rapidly as practicable in accordance with the policy contained herein. All spoiled, deteriorated, and damaged items which, because of their condition, cannot be used on authorized programs should be disposed of as rapidly as practicable in order to reduce storage and other expenses...."

Methods and Procedures in Disposing of Surplus Agricultural Goods:

The following is a summary outline of policy statement by WFA & Surplus Property Board, effective June 29:

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All disposals shall be conducted with fairness and adequate publicity and in a manner compatible with the national interests and economy.

Disposals may be made by sale, exchange, lease, or transfer for cash credit or for other property with or without warranty, and upon such conditions and terms as the disposal agency deems proper.

Disposal agencies are, however, charged with the following responsibilities.

- 1. To develop comprehensive and understandable disposal procedures, which will operate in a uniform manner and which are widely publicized.
- 2. To give adequate advance notice and information on proposed sales so that all interested parties may participate.
- 3. To prescribe terms and conditions of sale which are fully disclosed to all in advance, and are not discriminatory.
- 4. To provide reasonable checks and safeguards designed to prevent selective and discriminatory
- 5. To prepare and maintain adequate records of disposals.
 - 6. To Answer all reasonable requests for information concerning sales and disposals.
 - 7. To give regard to established and existing trade practices.
 - 8. To seek advice and recommendations of the established industry advisory committees on general disposal problems.
 - 9. To observe all applicable government regulations and orders with respect to prices, rationing, etc.
 - 10. To refrain from and provide against division of food to non-food uses except where the particular food is in over supply or of questionable quality or condition.

PRICE SUPPORT

1945 Canned and Frozen Vegetable Subsidy Programs:

As per our release on July 2, the new crop canned and frozen vegetable subsidy programs are about the same as last year. The principle differences are:

Canned Vegetables: the 1944 program included payment of subsidies on canned tomato paste and tomato purge when used by the original processor in some other product. The 1945 program also includes payments on bulk tomato paste and tomato puree, and canned and bulk tomato sauces, under the conditions listed above.

Frozen Vegetables: The 1945 program provides for payments on sales of mixed vegetables in frozen packs containing one or more of the three vegetables (sweet corn, green peas, and snap beans.) The 1944 program did not include this offer.

Both Programs: (1) Dates on the eligible periods of production are different.

The 1944 program on canned vegetables had, as eligible period of production dates, March 1, 1944 through April 30, 1945. The 1945 period of production is May 1, 1945 through December 31, 1945, except for snap boars, on which the terminal date is February 28, 1946. For frozen vegetables, the 1944 period of (MORE)

production

/was January 1, 1944 through April 30, 1945, except for snap beans, on which the beginning date was March 1, 1944. The 1945 period of production for frozen vegetables is the same as the 1945 period for canned vegetables - May 1, 1945 through December 31, 1945, except for snap beans, on which the terminal date is February 28, 1946. (2) Dates on the period of eligible sales differ. Under the 1944 program the eligible sales period corresponded exactly with the period of production dates. Under the 1945 program, the beginning dates correspond with those of the period of production, but the terminal date for both frozen and canned vegetables is June 30, 1946 (subject to extension to a later date if ceilaging prices are suspended or increased).

Dry Beans

The CCC Board of Directors has approved the docket covering the dry bean program for 1945. The docket covers purchase, loan subsidy and price support phases of the program. In general, the program will operate the same as in 1944, with rates on all varieties higher except for Pinto and Cranberry varieties. Details sent you in press release dated July 10.

Canned Tomatoes - A program was announced to encourage full production of commercially-canned tomatoes by increasing subsidy payments to processors out of CCC funds.

Prices to growers for tomatoes are not affected by today's action:

Under the terms of the program, approved by the Office of Economic Stabilization, increases will be incorporated into the 1945 canned vegetable subsidy program announced June 30. The amount of such increase over last year's subsidy payments for canned tomates will be 6 cents per dozen Ne. 2 can, with appropriate adjustments for other sizes of cans. The average level of maximum prices for civilian sales of canned tomates will remain approximately the same as in 1944. Ceiling prices for sales to Government agencies, however, will be adjusted to include the OES approved increase: Full details on the payments to be made processors will be announced later.

Civilian and military requirements for canned tomatoes are very high and the increase in the subsidy payment is necessary to compensate producers of canned tomatoes for increased processing costs and to encourage them to shift from the production of canned tomato products (tomato juice, tomato puree, tomato catsup, etc.) to the maximum production of canned tomatoes.

1945 Grower Prices For Fresh Cucumbers for Pickles

· 1945 prices to picklers are 1944 prices paid plus 40 cents per bushel.

1945 Average Grower Prices for Western Freestone Peaches For Canning and Freezing

Prices to be used in constructing processor ceilings are the same as 1944 - not to exceed \$54 a ton for Elbertas and Hales, \$47 per ton for Lovells, and other varieties pruned in California, and \$60 a ton for all other peaches packed in all other Western States. Prices by grades will be announced later.

1945 Grower Prices for Plums.

The average grower prices for plums for canning, freezing and preserving that will be used in the construction of processors' ceiling prices for their 1945 packs of the canned, frozen, and preserved plums: \$60 per ton for Calif., Orc., Wash., Ida., and Utah plums. For plums produced in other States, processors' ceiling prices will permit the inclusion of the grower prices allowed individual processors in the (MORE)

1943 pricing regulation, plus \$4 per ton. Both announced prices represent an increase of \$4 per ton over last year's prices.

FOOD ORDERS

Livestock Slaughter Certification Plan:

In line with the Pattman amendment a War Food Order is being prepared for certification of non-Federally inspected slaughterers. This is all highly confidential but here's about the way it's shaping up. Certification will be made by the Secretary of Agriculture. This certification will mean:

- 1. The Class 2, or non-Federally inspected slaughter, will be relieved of quotas which limit his slaughter to a percentage of his 1944 slaughter—50 percent for hogs, 110 percent for sheep and lambs and 85 percent for cattle.
- 2. He will be required to set aside a definite percentage of his weekly slaughter for purchase by the Armed Forces or other authorized government agencies.
- 3. He will be allowed to ship stamped meat across state lines.
- 4. He will be required to maintain certain sanitary standards, but no government funds have been provided for inspection and the necessary inspection will not be made by, nor under, the direction of the Meat Inspection Division of the USDA.
- 5. State an municipal inspection of certain standards will be accepted as well as private inspection if it meets requirements.
- 6. Meat for inter-state shipment nust be stamped or tagged with the prescribed stamp or tag which will bear the certification number.

Changes in Canned Vegetable Set-Aside

Changes announced in the percentages of canned vegetables required to be set-aside by processors under WFO 22.9 will make available to civilians more commercially canned vegetables than originally planned this year. However, the total supply will be considerably less than civilians received last year and the consumers should continue full use of all Victory Gardens and to preserve as many vegetables for home use as possible. Under the new set-aside percentage for canned vegetables, authorized under Amendment 3 to WFO 22.9, civilians will receive 103,200,000 cases, from the 1945 pack which is approximately 19% less than the total they received last year from the 1944 pack and carryover stocks. This year's carry-over of commercial stocks are materially smaller, and civilians will have to rely on the 1945 pack for the the major share of their supply of commercially canned vegetables.

Inedible Oil Quotas

Soon to be announced are third quarter raw material quotas for soap manufacture. Manufacturers will be limited to 72 percent of fats and oils they used during their base period for production of package and bar soap, compared with 74 percent during second quarter. For bulk soap, manufacturers may use up to 80 percent of fats and oils used during base period, compared with 84 percent for April-June quarter. Amendment should become effective July 1.

New Tobacco Restrictions

In the mill is new war food order which will prohibit future-contract purchases of most types of cigar filler and binder tobaccos of presently-growing 1945 crop.

(MORE)

Prohibition was unanimously endorsed by the Gigar Leaf IAC. Action will assure more equitable distribution of crop by preventing practice of buying tobacco in advance of usual purchasing dates. This duplicated '43 and '44 action.

USDA to Reduce Butter Set-Aside for August

Set-aside of creamery butter for government purchase during the month of August has been reduced to 30 per cent of each manufacturer's output. The current set-aside is 50 per cent.

Choddar Cheese Set-Asido

Set-asido percentages for Cheddar cheese, reduced from 70 to 65 precent for the month of July. Last year the July requirement was 60 percent. With production running 7 to 8 percent above 1944 levels, the new quota might be expected to yield approximately 58 million pounds of Cheddar choese for military and war uses, leave nearly 36 million for civilian consumption.

Dry Skim Milk

For drysskim milk of the spray type: 75 percent for July.

LEGISLATIVE HIGHLIGHTS

Warehousing, Storage and Record Aceping Food Investigation

The House appropriations committee's report on its investigation of WFA's warehousing, storage record keeping functions, etc., found:

"Some...inefficiency and dereliction in duty"...Food stored in the wrong places, and for too long, and transferred for no reason...inadequate procedure for settlement of accounts...inadequate "administrative machinery for the handling of claims"....
"inaccurate....inventory records of WFA"...inflated financial records..."erroneous information having been furnished to committees of congress...lack of coordinationquestionable transactions...lax personnel policies...inefficiency administrative procedure...

The report concludes:

"The Committee cannot condomn all operations of WFA on the basis of this inquiry but the sample reviewed would indicate the desirability of ... WFA reviewing all operations for efficient administration. It is impossible for all of the deficiencies in the operation of the WFA to be justified upon the basis of the magnitude of the over-all operations... WFA has met a national need... and the over-all result has been one of which... this country have the right to be proud... The committee has advised Lr. Anderson that it will expect periodic reports of progress from him as to the remedial measures that have been taken."

Food Allotment Bill

A new and could-be-significant bill, designed to put a floor under nutrition levels for the Nations's families and to insure a large, stable market for food, has been introduced in the Senate and referred to its Agriculture Committee. The bill, known as S. 1151, has three basic principles: (1) To determine scientifically the level of nutrition needed to keep an average person strong and healthy, and to translate that into actual quantities of low-cost foods; (2) to determine the value of the low-cost adequate diet periodically at current rotail food prices (this cost, (MORE)

on a yearly basis, to be known as the food allotment); (3) to supplement the buying power of families that are not able to afford low-cost adequate diets.

OPActions .

More Food For Workors In Heavy Industry

A further step in a developing Government program to provide extra food rations to workers employed in heavy industry was announced by Administrator Chester Bowles of OPA.

A test plan has been put in operation in the country's western mining regions providing additional meats-fats and sugar rations to individual coal and ore miners, except those served by on-the-job eating places. (For the time being, cannot foods are not included, although additional rations may be provided later on.)

Under this plan, miners in the San Francisco and Denver areas will be eligible for supplemental rations based on the number of days worked during the month, in addition to quantities available through use of the regular ration book, with a monthly maximum of 50 meat-fats points and one pound of sugar per man. These amounts may be adjusted upward or downward later as more complete studies are made. For the time being the extra rations will be issued by OPA district offices. One-point and five-point red coupons and one pound sugar coupons will be issued. These are the coupons regularly used for furlough rations.

Manufacturers Who Use Ration Points

Manufacturers who use rationed foods as ingredients in products they deliver to exempt agencies, such as the Army, Navy or Marine Corps, may apply for additional points if point values are increased within 30 days after points are issued to them to obtain the rationed foods, the OPA said.

This provision was effective June 30, 1945.

MIS CELLANEOUS

Additional War Prisoners For Harvest

Increased numbers of prisoners of war will be available for agricultural work beginning the latter part of August. About 100,000 prisoners of war will be available for assignment during the harvest seasons. This represents an increase of about 15,000 over the peak provided for in the previous agreement with the War Department which expires this month. The men will again be assigned through the nine service command areas of the Army. State Extension directors will determine the type of work they will be asked to perform.

1945 Supply of Canned Fruits and Vegetables.

Last Saturday's announcement of set aside percentages of these commodities aroused considerable interest in 1945-46 pack estimates. Final figures are not expected to be available until about October 1. However, here are some tentative figures, based on trade and government estimates:

| Canned Fruits | Millions of Cases | Canned Vegetables | Millions of Cases |
|---------------------|-------------------|-------------------|-------------------|
| Apples | 3.0 | Asparagus | 4.6 |
| Applesauce | 3.0 | beans, lima | 2.0 |
| Apricots | 5.8 | Beans, snap | 22.6 |
| Blackberries (et al | ,7 | Beets · · | 9.2 |
| Blueberries | •4 | Carrots | 3.6 |
| Cherries, sweet | 1.0 | Corn, sweet | 29.5 |
| Figs | 1.0 | Peas | 34.8 |
| Fruit, Cocktail | 6.5 | Fumpkin | 3.2 |
| Peaches | 15.0 | Sauerkraut | 5.9 |
| Pears | 5.2 | Spinach | 8.9 |
| Pineapple ' | 9.4 | Sweetpotates | 1.5 |
| Pineapple juice | 6.4 | Toma toes | 26.8 |
| Plums and prunes | 2.2 | Tomato catsup | 13.5 |
| *** | | Tomato juice | 33.8 |
| | | Tomato puree | 10.5 |
| 1. | • | Tomato paste | 5.1 |

Allocations of most canned fruits and vegetables have not yet been signed, and it is possible that some revision of sat-asides might be forthcoming depending on decisions made regarding military requirements.

Farm Population Estimates

In January 1945, according to estimates of the Bureau of Agricultural Economics, 25,190,000 persons were living on the farms of the U.S. This is the smallest number of farm residents in the entire 35-year period for which estimates of the farm population are available. However, the farm population decreased by only 331,000 or 1.3% during the year, the smallest annual net decrease since the U.S. entered the war in 1941. After marked decreases during 1941, 1942, and 1943, the net decrease during 1944 was reduced to approximately the same annual rate that prevailed during the pre-war period 1935-39. In four of the nine major geographic divisions, there were actually slight net gains in the number of persons living on farms during 1944.

Advisor of the second of the s